

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



July 9, 1979

ALL-COUNTY INFORMATION NOTICE I-71-79

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: POSSIBLE FOOD STAMP BENEFIT REDUCTION

REFERENCE:

This is to inform you of a possible benefit reduction in the Food Stamp Program. As you are probably aware, USDA has estimated that they will exceed their allocation for the Food Stamp Program if spending continues at the current rate. USDA is asking Congress to increase their allocation. However, as a contingency plan, USDA sent telegrams to all states indicating the possibility of a benefit reduction sometime between July and September. The reduction will be equivalent to about one month's benefits, and could be spread over three months, two months, or could result in September benefits being cancelled.

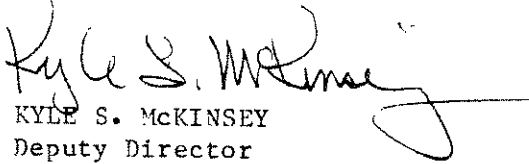
USDA has developed regulations establishing prescribed procedures if it becomes necessary to reduce food stamp allotments. USDA published these regulations in the June 12, 1979 issue of the Federal Register. According to USDA, "the rules will direct state agencies to undertake whatever steps are necessary to ensure that ordered allotment reductions are implemented correctly." If benefit reductions are ordered, FNS will provide revised allotment tables reflecting these reductions.

We have requested as much lead time as possible to implement any required change and have demanded that all states and counties be held harmless for any errors resulting from the anticipated change. In response, USDA has indicated that state agencies would not be liable for random errors; however, all errors resulting from negligence or noncompliance are subject to sanctions.

If we are required to reduce benefits, we will treat the reduction as a mass change. Notice will be provided to recipients through mass media rather than sending notices to each household.

Please do not take any action to implement a change until you receive further notice from us. We will provide you with information as it becomes available. If you have any questions regarding this matter, please contact your Food Stamp Program Operations analyst at (916) 322-5475.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

cc: CWDA
FNS/WRO